



2007 PRENEED FUNERAL TRUST FUND REPORT

License Number: FD _____

Check All That Apply:

Funeral Establishment: _____

Address: _____

- ☐ PRE-1977
☐ POST-1977
☐ COMBINED
☐ OTHER (specify) _____

Reporting Period: (check one)

- ☐ Calendar Year – Beginning January 1, 2007 and ending December 31, 2007
☐ Fiscal Year – Beginning _____ and ending _____
☐ Final Report – Beginning _____ and ending _____
☐ OTHER: _____ – Beginning _____ and ending on _____
 (e.g., stop, start, transfer, etc.)

IMPORTANT REPORTING INFORMATION

- ANNUAL FILING DATE** - The annual report must be filed with the Bureau on or before May 1, 2008, or 120 days after the close of the approved fiscal year end. The fee for timely filing is \$200.
- COMBINED ANNUAL REPORT** - Two (2) or more funeral establishments who utilize a common trust fund may cause the trustee(s) of the fund to file one (1) combined annual report. A combined report must disclose each funeral establishment's *Preneed Funeral Trust Summary* (pages 5 and 6) separately. The fee for timely filing a combined report is \$200.

 (Note: A combined report may only be filed by the trustee of a common trust fund. Establishments under common ownership, which do not meet this criterion, may not file a combined report.)
- LICENSE TRANSFER/CESSATION OF BUSINESS** - A final preneed trust fund report is required upon the transfer of a funeral establishment license. The report and the applicable report fee must accompany an *Application for Assignment of Funeral Establishment License*. A final preneed trust fund report is required upon the cessation of business. The report and the applicable report fee must be filed with the Bureau 30 days prior to the closure of the funeral establishment.
- LATE FILING** - Any report postmarked after the required filing date is considered late. The fee for filing any report late is \$300. **Failure to file the report may result in disciplinary action by the Bureau.**

FOR BUREAU USE ONLY

Reviewer:	Receipt No.:	Date Received:
Date:	P/C B/C M/O CSH	Amount:

NOTICE: Read instructions on pages 9-10 before completing this report

1. Type of Business Organization:

☐ Individual ☐ Partnership ☐ Corporation

2. Does the holder of the funeral establishment license also hold a cemetery certificate of authority?

Yes ☐ No ☐

(a) If 2 is YES – List the cemetery name(s) and certificate of authority number(s).

(Attach additional pages if necessary.)

3. Does the holder of the funeral establishment license also hold a crematory license?

Yes ☐ No ☐

(a) If 3 is YES – List the crematory name(s) and crematory license number(s).

(Attach additional pages if necessary.)

4. Is this trust active (i.e., receiving payments and/or adding new trustors)?

Yes ☐ No ☐

(a) If 4 is YES – Attach a blank copy of the current trust agreement.

5. How are trust funds invested?

☐ Individual Passbooks ☐ Commingled Savings *

☐ Commingled Investments * ☐ Other (Explain)

*** SEE INSTRUCTIONS – CPA audit report required**

6. Under what basis of accounting are the books and records of the preneed funds maintained?

☐ Cash Basis ☐ Regulatory Basis

☐ Accrual Basis ☐ Other (Explain)

7. List all trustees and include each individual's residence or business address and telephone numbers (not the funeral establishment address and telephone number). Identify any and all relationships with individual trustees who are designated as NON-FIRM MEMBERS, including business and personal relationships. **Attach additional pages if necessary.**

Name, Address, Telephone Number	Relationship to the Funeral Establishment
a. _____ _____ _____ _____	_____ _____
b. _____ _____ _____ _____	_____ _____
c. _____ _____ _____ _____	_____ _____
d. _____ _____ _____ _____	_____ _____
e. _____ _____ _____ _____	_____ _____
f. <input type="checkbox"/> Individual Passbook (friend/family of trustor/depositor)	

8 Is more than one of the trustees listed under number 7, an employee, partner, officer, director or agent of the funeral establishment?

Yes ☐ No ☐

(a) If 8 is YES – Please explain.

9. List the location within the State of California where the books, accounts and records of the trust funds are maintained and available for inspection.

Name: _____ Telephone: _____

Name of Entity or Location: _____

Address: _____

City/Zip: _____, California _____

10. List the person(s) who prepared this report.

Name: _____ Telephone: _____

Name of Entity: _____

Address: _____

City/State/Zip: _____

11. List the authorized contact person for any questions regarding this report.

Name: _____ Telephone: _____

Address: _____

City/State/Zip: _____

PRENEED FUNERAL TRUST SUMMARY

For the year ending 12/31/07 (or fiscal year ending _____)

SECTION A: ADDITIONS	CORPUS	+	INCOME	=	TOTAL
1. Beginning Balance	<input type="text"/>		<input type="text"/>		<input type="text"/>
ADD:					
2. Corpus Received this Period	<input type="text"/>		N/A		<input type="text"/>
3. Capital Gains/(Losses) Realized this Period	N/A		<input type="text"/>		<input type="text"/>
4. Income Earned this Period	N/A		<input type="text"/>		<input type="text"/>
SUBTOTAL SECTION A	<input type="text"/>		<input type="text"/>		<input type="text"/>
SECTION B: DISBURSEMENTS					
SUBTRACT:					
5. Serviced Accounts	<input type="text"/>		<input type="text"/>		<input type="text"/>
6. Canceled Accounts	<input type="text"/>		<input type="text"/>		<input type="text"/>
7. Revocation Fees	N/A		<input type="text"/>		<input type="text"/>
SUBTOTAL SECTION B	<input type="text"/>		<input type="text"/>		<input type="text"/>
8. Totals Before Administration Fees (A minus B)	<input type="text"/>		<input type="text"/>		<input type="text"/>
SECTION C: Administration Fees					
SUBTRACT:					
9. Administration Fees (See Instructions)	N/A		<input type="text"/>		<input type="text"/>
10. Income Taxes	N/A		<input type="text"/>		<input type="text"/>
SECTION D: ENDING BALANCES					
11. Ending Balance, Cost Basis	<input type="text"/>		<input type="text"/>		<input type="text"/>
12. Market Valuation as of 12/31/07 (or fiscal year end)	<input type="text"/>		<input type="text"/>		<input type="text"/>

PRENEED FUNERAL TRUST SUMMARY (continued)

For the period ending 12/31/07 (or fiscal year ending _____)

Summary of Changes in Number of Trustors

1. Trustors as of 1/1/07
(or beginning of fiscal year) _____

ADD:

2. New Trustors _____

SUBTRACT:

3. Serviced Accounts _____

4. Canceled Accounts _____

5. Trustors as of 12/31/07
(or end of fiscal year) _____

SUMMARY OF TRUST FUND INVESTMENTS

A. Individual Passbooks:

Financial Institution & Location	Account Number	Interest Earned this Period	Total In Account
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
Totals:		_____	_____

B. Commingled Checking and/or Savings Accounts:

Financial Institution & Location	Account Number	Interest Earned this Period	Total In Account
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
Totals:		_____	_____

C. Commingled Investments (All commingled investments other than savings accounts):

Attach a detailed schedule of investments showing the original cost and fair market value as of 12/31/07 or fiscal year end. Provide an income statement that includes realized gains and losses.

VERIFICATION of 2007 PRENEED FUNERAL TRUST FUND REPORT

Notice: Verification A & B are both required (See instructions)

A. OWNER, PARTNERS, OR CORPORATE OFFICERS:

I certify under penalty of perjury, under the laws of the State of California that the statements contained and answers given in this report, including all attachments thereto, are complete, true and correct to the best of my knowledge and belief.

1. Signature: _____ Date: _____

Print Name: _____ Title: _____

(President or Vice President)

Address: _____

City/State/Zip: _____

2. Signature: _____ Date: _____

Print Name: _____ Title: _____

Address: _____

City/State/Zip: _____

B. TRUSTEES:

I certify under penalty of perjury, under the laws of the State of California that the statements contained and answers given in this report, including all attachments thereto, are complete, true and correct to the best of my knowledge and belief.

1. Signature: _____ Date: _____

Print Name: _____ Title: _____

Address: _____

City/State/Zip: _____

2. Signature: _____ Date: _____

Print Name: _____ Title: _____

Address: _____

City/State/Zip: _____

INSTRUCTIONS

Detach these instructions. Do not return instructions with the completed report.

PAGE 1

- Enter the funeral establishment license number (FD#), and funeral establishment name and address.
- Indicate which type of report is being filed.
- Check whether this is a current, final, or other report. If the report covers a period other than a calendar year, indicate in the space provided what time period is covered. [See Title 16, California Code of Regulations Section 1269(a) for requesting a *fiscal year* reporting period.]

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- Answer all questions and provide all requested information. Provide explanations as required and/or necessary. Attach additional pages as necessary.
- **ITEM 5 - If trust funds have been commingled for investment purposes, this report must include an independent audit report with the accompanying financial statements** prepared by a Certified Public Accountant or a Public Accountant, currently licensed in the State of California. The scope of the independent audit must certify compliance with the provisions of Article 9, Chapter 12, Division 3 of the Business and Professions Code and with the provisions of Title 16, Chapter 12, Article 8 of the California Code of Regulations. The auditor must identify any findings of noncompliance with existing law regarding preneed trust funds in a **separate report**, for review and action by the Bureau. Audits and reports of noncompliance shall be filed simultaneously. [See Business and Professions Code Section 7737.3 and Title 16, California Code of Regulations Section 1269 (d).]

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ITEM 7- Complete the trustee information for each trustee over the trust funds.

The "trustee" must be either a bank or trust company authorized to act as a trustee in California; or not less than three (3) individuals. Only one of the individual trustees may be an employee, partner, officer, owner, director or agent of the funeral establishment.

- **NOTE: Do not use this form to submit a change in trustees.** If you have a change in trustees, call the Cemetery and Funeral Bureau at (916) 574-7870 to obtain a *Notification of Change* form (fee for *Notification of Change* is \$50). Forms are also available on the Bureau's website at: www.cfb.ca.gov/cemetery.

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- Complete the information requested in items 8 through 11.

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SECTION A – Additions

Line 1 - Enter the beginning balances as of 1/1/07 (or as of the start of the fiscal year) and total. The **beginning balances** should match the prior year's **ending balances**. If these figures do not match, attach a detailed explanation with supporting documentation.

Line 2 - Enter the amount of new funds received this year in the "Corpus" column.

Line 3 - Enter the capital gains/(losses) realized from investments this year in the "Income" column.

Line 4 - "**Income Earned this Period**" is the amount of gross income or earnings derived from all trust investments. Enter this amount in the "Income" column.

SUBTOTAL - Subtotal the three columns of Section A and enter the amounts in the shaded boxes.

SECTION B – Disbursements

Lines 5 & 6 - Enter the amount of dollars taken out of corpus for serviced/canceled accounts in the "Corpus" column. Enter the amount of income taken out for serviced/canceled accounts in the "Income" column.

Line 7 - Enter the amount charged upon cancellation of individual trustor accounts into the "Income" column. The amount of revocation fees must not exceed 10% of the paid-in-corpus and is chargeable against **earned income only**. [See Business and Professions Code Section 7735 and Title 16, California Code of Regulations Section 1275 (j).]

SUBTOTAL - Subtotal the three columns of Section B and enter the amounts in the shaded boxes.

Line 8 - Subtract the subtotals in Section B from subtotals in Section A.

SECTION C – Administration Fees

Line 9 - "Annual Administration Fees" An annual trust administration fee of up to four percent of the trust balance as of December 31, 2007, may be recovered from accumulated trust income; however the fee cannot exceed the total amount of the reporting year's income. No annual administration fees may be withdrawn from corpus.

To calculate the *maximum allowable administrative fee*, complete the following work sheet:

Amount in Total Column for Line 1 _____

Amount in Total Column for Line 2 _____

Total _____

Multiply by .04

X .04

Maximum Administration Fee _____

The allowable administration fee that can be charged to the funeral trust fund and entered on Line 9 is the "**lesser**" of the maximum allowable administration fee (computed above) or the **sum** amount in the income column of Lines 3 & 4. [See Title 16, California Code of Regulations Section 1265.]

Line 10 - Enter the amount of any taxes paid on the earnings of the trust fund pursuant to the Revenue and Taxation Code Section 17760.5.

Line 11 - Subtract the amounts in Line 9 & 10 from line 8.

Line 12 - If the report is filed for a calendar year, enter the Market Valuation as of 12/31/07. If the report is filed for a fiscal year, enter the Market Valuation as of the fiscal year end.

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Section A - Owners, Partners or Corporate

Officers. Must be completed for all reports, except combined reports filed pursuant to Title 16, California Code of Regulations Section 1269(c).

The verification must be completed and signed by the owner, the partners or, in the case of a corporation, two (2) corporate officers, including the president or vice-president and one other officer of the corporation.

Section B - Trustees.

Must be completed for all reports, including combined reports filed pursuant to Title 16, California Code of Regulations Section 1269(c), except as provided below.

The verification must be completed and signed by two (2) individual, non-firm member trustees, if individuals act as trustee; or by an authorized representative of the institutional trustee if a bank or trust company acts as trustee.

In cases where individual passbook-type accounts are used, and the depositor and/or family or friends of the depositor act as trustees, along with one member of the firm, Verification B is not required.

FILING THE REPORT

- The fee for timely filing the report is \$200.
- Any report postmarked after the required filing date is considered late.
- The fee for filing **any** report late is \$300.
- The report is not considered filed unless the proper fee accompanies it.
- The report is not considered filed unless it is accompanied by the appropriate audit report(s), in cases where an audit is required.
- The report is not considered filed unless it contains the required verifications/signatures on page 8.
- **Failure to file the report may result in disciplinary action by the Bureau.**

Mail the completed form and filing fee to:

**Cemetery and Funeral Bureau
Annual Funeral Trust Report
P.O. Box 989003
West Sacramento, CA 95798-9003**

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